

14062
COMPANY NUMBER 2645833

J.S.P. FINANCIAL SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH NOVEMBER 1998



REPORT OF THE DIRECTORS TO THE MEMBERS OF

J.S.P. FINANCIAL SERVICES LIMITED

The Directors present their report, together with the Audited Financial Statements of the company for the year ended 30th November 1998.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company continues to provide financial services both to corporate and private clients within the United Kingdom.

RESULTS AND APPROPRIATIONS

The Net Trading Profit prior to any adjustments for tax or appropriations was £59,400. Interim dividends totalling £11.26 per share were paid during the year but no final dividend is proposed. The surplus will be added to reserves.

REVIEW OF THE FINANCIAL POSITION

The Directors consider that the state of the company's affairs is satisfactory.

FIXED ASSETS

The book value increased from £2,111 to £2,368 during the year. Further details are shown in Note 7.

DIRECTORS

The Directors holding office during the year and their interests, including family interests, in the share capital of the company were as follows:-

<u>DIRECTORS</u>	<u>DESCRIPTION OF SHARES</u>	<u>At 30.11.98</u>	<u>At 30.11.97</u>
J. Perry	Ordinary £1	1,870	1,870
S. Perry	Ordinary £1	1,870	1,870

REPORT OF THE DIRECTORS (CONT'D)

J.S.P. FINANCIAL SERVICES LIMITED

AUDITORS

Patrick Charles & Co. will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

On behalf of the Board

A handwritten signature in dark ink, appearing to read 'J. Perry', with a horizontal line underneath.

J. Perry
Director

Date.....11/6/99.....

AUDITORS' REPORT TO THE SHAREHOLDERS OF

J.S.P. FINANCIAL SERVICES LIMITED

We have audited the financial statements set out on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

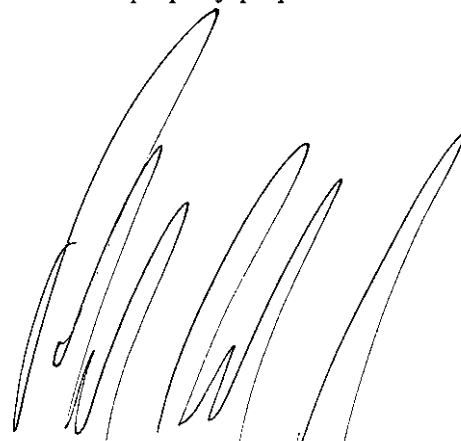
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th November 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

HAMMOND HOUSE,
2259/61 COVENTRY ROAD,
SHELDON,
BIRMINGHAM,
B26 3PA.



PATRICK CHARLES & CO.,
REGISTERED AUDITORS AND
CERTIFIED ACCOUNTANTS.

11th June 1999

J.S.P. FINANCIAL SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH NOVEMBER 1998

	<u>Notes</u>	<u>1998</u> £	<u>1997</u> £
Turnover	1(d)	132,937	103,560
Cost of sales		<u>30,599</u>	<u>23,400</u>
GROSS PROFIT		102,338	80,160
Administrative expenses		<u>42,764</u>	<u>41,634</u>
OPERATING PROFIT	2	59,574	38,526
Interest payable and similar charges	3	<u>174</u>	<u>161</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		59,400	38,365
Tax on profit on ordinary activity	5	<u>12,461</u>	<u>8,535</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		46,939	29,830
Dividends	6	<u>42,100</u>	<u>32,550</u>
		4,839	(2,720)
Retained profits brought forward		<u>6,644</u>	<u>9,364</u>
Retained profits carried forward		£ <u>11,483</u>	£ <u>6,644</u>

There were no recognised gains or losses for 1997 or 1998 other than those included in the profit and loss account.

I.S.P. FINANCIAL SERVICES LIMITED
BALANCE SHEET AS AT 30TH NOVEMBER 1998

	<u>Notes</u>	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
FIXED ASSETS			
Tangible assets	7	<u>2,368</u>	<u>2,111</u>
CURRENT ASSETS			
Debtors	8	19,582	16,232
Cash at bank and in hand		<u>9,771</u>	<u>2,913</u>
		29,353	19,145
CREDITORS – amounts falling due within one year	9	<u>16,498</u>	<u>10,872</u>
NET CURRENT ASSETS		<u>12,855</u>	<u>8,273</u>
Total Assets less Current Liabilities		<u>£15,223</u>	<u>£10,384</u>
CAPITAL AND RESERVES			
Called up share capital	10	3,740	3,740
Profit and Loss Account		<u>11,483</u>	<u>6,644</u>
SHAREHOLDERS' FUNDS	11	<u>£15,223</u>	<u>£10,384</u>

The Board of Directors approved these financial statements on.....11/6/99.....



.....J.P. Perry - Director

J.S.P. FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

(b) Fixed Assets

The cost of fixed assets is written off on the reducing balance method at the following rates:-

Fixtures, fittings and equipment	15% per annum
Computer equipment	25% per annum

(c) Pensions

The company operates a defined contributions pension scheme. Amounts payable are charged to the profit and loss account as they fall due.

(d) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, excluding value added tax.

2.	OPERATING PROFIT	<u>1998</u> £	<u>1997</u> £
	This is stated after charging:-		
	Directors' emoluments	20,879	18,774
	Auditors' remuneration	2,031	1,880
	Depreciation of fixed assets	<u>743</u>	<u>647</u>
3.	INTEREST PAYABLE AND SIMILAR CHARGES	<u>1998</u> £	<u>1997</u> £
	Bank loans, overdrafts and other loans wholly repayable within five years	<u>174</u>	<u>161</u>
4.	DIRECTORS AND STAFF	<u>1998</u> £	<u>1997</u> £
	(a) Directors' emoluments		
	Fees	16,669	11,924
	Pension contributions	<u>4,210</u>	<u>6,850</u>
		<u>20,879</u>	<u>18,774</u>

J.S.P. FINANCIAL SERVICES LIMITED

NOTES (CONT'D)

4.	DIRECTORS AND STAFF (Continued)	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
	(b) Staff numbers and costs		
	Wages and salaries	16,669	11,924
	Social security costs	1,302	717
	Pension contributions	<u>4,210</u>	<u>6,850</u>
		<u>22,181</u>	<u>19,491</u>
	The average monthly number of employees during the year was 2 (1997 – 2), made up as follows:-		
		<u>1998</u>	<u>1997</u>
	Office and management	<u>2</u>	<u>2</u>
5.	TAX ON PROFIT ON ORDINARY ACTIVITY	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
	Based on profits for the year at 21% (1997 – 21%/24%)		
	United Kingdom Corporation Tax	<u>12,461</u>	<u>8,535</u>
6.	DIVIDENDS	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
	Interim dividends:		
	£0.96 per share (paid 31.12.97)	3,600	5,300
	£3.21 per share (paid 26.01.98)	12,000	3,600
	£3.21 per share (paid 31.05.98)	12,000	10,000
	£2.81 per share (paid 01.07.98)	10,500	9,900
	£1.07 per share (paid 06.10.98)	<u>4,000</u>	<u>3,750</u>
		<u>42,100</u>	<u>32,550</u>

J.S.P. FINANCIAL SERVICES LIMITED

NOTES (CONT'D)

7.	TANGIBLE ASSETS	<u>Fixtures, Fittings and Equipment</u>	
	COST		
	At 1 st December 1997	4,067	
	Addition during the year	<u>1,000</u>	
	At 30 th November 1998	<u>5,067</u>	
	DEPRECIATION		
	At 1 st December 1997	1,956	
	Charge for the year	<u>743</u>	
	At 30 th November 1998	<u>2,699</u>	
	NET BOOK VALUES		
	At 30 th November 1998	<u>£2,368</u>	
	At 30 th November 1997	<u>£2,111</u>	
8.	DEBTORS	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
	Due within one year		
	Trade debtors	17,319	13,657
	Prepayments and accrued income	349	687
	Directors loan account (See Note 12)	<u>1,914</u>	<u>1,888</u>
		<u>19,582</u>	<u>16,232</u>
9.	CREDITORS – amounts falling due within one year	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
	Trade creditors	5,020	2,163
	Taxation and social security	8,969	6,440
	Accruals and deferred income	<u>2,509</u>	<u>2,269</u>
		<u>16,498</u>	<u>10,872</u>
10.	CALLED UP SHARE CAPITAL	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
	Authorised ordinary shares of £1 each	<u>3,838</u>	<u>3,838</u>
	Issued and fully paid	<u>3,740</u>	<u>3,740</u>

J.S.P. FINANCIAL SERVICES LIMITED

NOTES (CONT'D)

11.	MOVEMENT IN SHAREHOLDER'S FUNDS	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
	Profit for the year	46,939	29,830
	<u>Less: Dividends paid</u>	<u>42,100</u>	<u>32,550</u>
	Net increase in/(reduction of) shareholders' funds	4,839	(2,720)
	Opening shareholders' funds	<u>10,384</u>	<u>13,104</u>
	Closing shareholders' funds	<u>15,223</u>	<u>10,384</u>

12. DIRECTORS' LOAN ACCOUNT

The loan account of one of the directors was overdrawn for a time during the year.

	<u>J.Perry</u>
	<u>£</u>
Amount outstanding at end of year	<u>1,914</u>
Maximum amount outstanding during the year	<u>1,914</u>